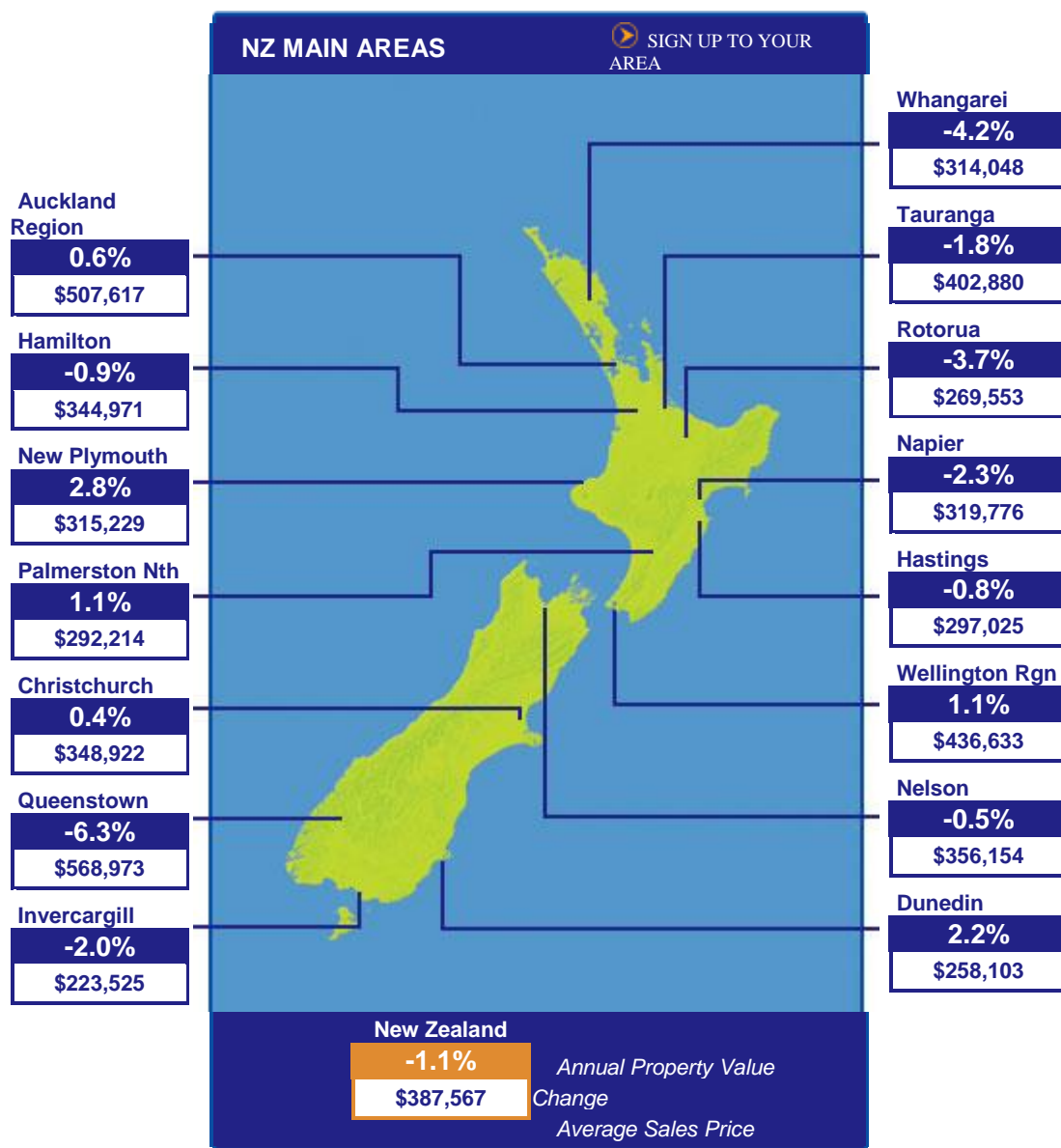


latest property statistic

PROPERTY VALUES CONTINUE TO RECOVER

Property values have continued to increase according to the QV residential property indices for September released today. Nationally, values are now only 1.1 percent below the same time last year, up further from the -2.8 percent reported last month..



Nationwide values are now 2.7 percent up from their low in April, but remain 7.1 percent below the market peak of late 2007.

A further market measure, distinct from the index, is the average sale price which across New Zealand also increased further to \$387,567 in September from \$385,426 in August.

“There are signs of more activity in the market with an increase in the number of sales and more listings in many areas. This increase in activity is normal for Spring but there is still a feeling that activity levels are below normal, with somewhat fewer listings to date this spring than was expected” said QV Valuation Manager Glenda Whitehead.

“There is strong competition among keen buyers in some localities and price brackets for the limited properties available. This competition is pushing up many sale prices, as previously unsuccessful bidders offer higher prices in an attempt to secure a property. With prices in some localities rising, this will likely encourage more sellers to put their properties on the market as their price expectations come closer to being met” said Whitehead.

“Compared to the same time last year there is now more market activity across most price bands, but especially towards the lower end of the market. However, there is no consistent national trend as to whether prices are going up or down within each value band, with each location reacting to local market influences and dynamics. The market is still clearly in a state of change”

The results of the latest quarterly QV.co.nz Housing Survey show that consumer confidence has improved, but a degree of uncertainty remains. The majority of respondents now expect prices to increase over the next year, a dramatic reversal of last quarter’s survey results. Fewer respondents listed job security and financial pressures as factors influencing whether they would buy or sell. The survey also showed that while the same number of people are considering buying or selling within the next year, a greater proportion are now considering selling within the next six months. Despite these positive results, comments from respondents reflect mixed opinions about the prospect for the overall economy in the medium term.

Increasing values in recent months mean that most of the main centres now have values above the same time last year. In the Auckland Area values are now 0.6 percent above last year, the Wellington Area is 1.1 percent up, Christchurch 0.4 percent up, and Dunedin 2.2 percent up. Tauranga is still 1.8 percent below last year but has improved rapidly over recent months. Hamilton is the only main centre to drop back slightly and is now 0.9 percent below last year.

Values in most of the provincial centres have not risen as much in recent months as the main centres. As a result most are still showing values below the same time last year. Whangarei is -4.2 percent compared to last year, Wanganui -2.5 percent, Nelson -0.5 percent and Invercargill -2.0 percent. New Plymouth at 2.9 percent and Palmerston North at 1.1 percent are exceptions, with both having values above the same time last year. In contrast to most of the rest of the country, continuing value declines in recent months have led to Rotorua (-3.7 percent), Gisborne (-9.0 percent) and Queenstown Lakes (-6.3 percent) all still being below last year.